

rac Warn Milosevic

lomatic effort to save Kosovo peace talks

nton on impeachment lessons A-5

se force if Serbia fails to meet its
ious commitment to withdraw
es from Kosovo." The separatist
ince is a part of Serbia, the domi-
republic of Yugoslavia.
have ordered our aircraft to be
y to act as part of a NATO opera-
" Clinton said. He also flatly re-
d an extension of today's deadline
erb negotiators to accept an inter-
peace agreement on Kosovo — an
ement that their ethnic Albanian
reportedly are prepared to ac-

cept, albeit reluctantly.
"It would be a mistake to extend the
deadline," Clinton said.
Chirac pronounced himself in total
agreement with Clinton, before follow-
ing with an equally tough warning of
his own: "We want our continent to be
at peace, and we will not accept that
the present situation in Kosovo should
continue."
The strong statements by the two
leaders came only hours after equally
uncompromising declarations by Milo-
sevic, who refused even to meet with

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Al Hartmann/The Salt Lake Tribune

0 Years of Service

en. Scott Howell and Sheriff Aaron Kennard, far left, congratulate
on its sesquicentennial. Howell had earlier in the day sponsored a
it for "professional and dedicated service." See story, Page A-6.

Judge Throws Geneva Steel \$125M Lifeline

Financing keeps company operating, 1,500 on the job

BY STEVEN OBERBECK
THE SALT LAKE TRIBUNE

Geneva Steel was given new life Fri-
day when U.S. District Judge J. Thom-
as Greene approved a multimillion-
dollar financing plan for the troubled
mill.

Without the \$125 million in financ-
ing, Geneva faced almost certain
death and liquidation. Its 1,500 work-
ers would have lost their jobs. Finan-
cial shock waves would have been felt
statewide.

"We have been given a bridge
across the chasm of bankruptcy," Ge-
neva Chairman Joe Cannon said.

He said Greene's ruling removes a
huge burden from the company oper-
ating under Chapter 11 bankruptcy
protection. "Now we do not have to
worry about our financing, which was
one of the most critical elements of
this whole reorganization."

Hammered by low-cost foreign im-
ports and a huge debt burden, Geneva
Steel filed for Chapter 11 bankruptcy
Feb. 1.

But its initial attempt to gain U.S.
Bankruptcy Court approval for the
new \$125 million financing plan —
money the company maintained it
needed to survive — ended in disaster.

U.S. Bankruptcy Judge John H. Al-
len on Feb. 9 declined to approve the
company's financing request. Instead,
Allen ruled he was throwing the com-
pany into Chapter 7 bankruptcy and
wanted a trustee appointed to liqui-
date the steel mill's assets.

Only quick maneuvering by the
company's attorneys — Ralph Mabey,
Steven McCardell and Mark Ellenberg
— kept the struggling steelmaker

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More business news D-6

OP Intensifies,
Nothing Personal

Regents Plan Weekend Campaign to Kill

to have the final say over executive-branch matters.

"I'm not going to rise to the bait of the numerous inflammatory barbs the attorney general seems intent on throwing out," Stephens said.

He said other states have given clear authority to governors to make policy calls on civil legal matters, insisting "we're not plowing new ground here."

He took Graham's complaints

other supporting Vermont's ban on same-sex marriage.

Sponsoring Rep. Greg Curtis, the appointed city attorney of West Jordan, said his initial interest in the bill was to spell out lines of authority to avert the kind of in-fighting that dominated Salt Lake County government during the past four years. Former Salt Lake County Doug Short was frequently at odds with county commissioners, sometimes in court

other. Republican leaders unveiled HB 139 at a news conference Wednesday. It immediately was sprung loose from the gate-keeping Rules panel ahead of dozens of other bills introduced earlier and was sent to House Judiciary Committee.

Republicans dominate the Legislature 54-21 in the House and 18-11 in the Senate. The House Judiciary Committee is controlled by Republicans by an 8-3 margin.

Our intent, as we've said from the beginning, is not to go after Jan Graham," said Stephens. "If we're going to have any chance of having a debate on the actual bill, we need to take the venom out of it.

"Let's not give the attorney general a stage to grandstand on," he said.

The Associated Press contributed to this report.

and more than the tie is at stake.

Their fear is the I set a precedent for enity in the state to u leverage for its own cation interests, which dermine the mission established in 1969. hind one board for th public colleges and u to ensure systemwide in academic offeri smooth over skirm among institutions 1 for students and stat

Board members, the governor, contes ion is to look at high needs across St. George. Most say opposed to a Dixie they say they need make a decision.

Efforts to reach comment Friday we ful, but Higher Edu missioner Cecelia F has not looked favor: tie's substitute bill.

"That's the under the morning," quip Dale Zabriskie, anot

Geneva Gets Financing It Needs to Survive

Continued from A-1

alive. They got Geneva's case moved from bankruptcy court to U.S. District Court for Utah.

The case was assigned to Greene, who on Tuesday began his own hearings on the matter. Ruling from the bench Friday afternoon, Greene said he believed the financing was in the best interest of the company and its

creditors.

Greene said Geneva's financial problems were caused by external forces — the dumping of foreign steel. And he said there are signs dumping is ending and the steel market will improve.

Earlier Friday, an examiner appointed by Greene to investigate Geneva's viability and its potential to successfully reorganize under Chapter 11 urged him to approve the financing.

Alan M. Singer, an expert in turning around troubled companies, in a six-page report submitted to the court, wrote that closure of Geneva would "have a major negative impact on the community, its employees, vendors and customers."

Singer said he believed Geneva could achieve a plan of reorganization in a short period.

"Without the financing, the debtor will not survive. It already has demonstrated in the proceedings of this case that the financing is feasible and will enable the debtor to be viable for reorganization," he wrote.

Geneva was supported in its bid for the financing by creditors, bond holders, suppliers and members of the United Steelworkers of America.

Only the U.S. Trustee's Office, which provides oversight on some bankruptcy cases, expressed reservations about Geneva's financing plan. Represented by attorney Laurie Crandall, the trustee's of-

fice expressed concerns the agreement may limit any future trustee who might be appointed should Geneva be forced to liquidate. The financing agreement gave the lender first claim on all of Geneva's assets.

But Crandall conceded there was nothing in the proposed financing package that violated bankruptcy laws.

Dennis Kujala, president of United Steelworkers of America Local 2701 in Orem, said Greene's ruling means "we will get paid Tuesday."

"Everything turned out OK," Kujala said. "It is too bad this took so long and cost so much. Somebody is going to have to pay for all those lawyers."

Clinton Offers Social Security Plan; GOP Scoffs

Continued from A-1

If the economy is growing, the government collects more taxes from rising household incomes and corporate profits. Clinton's plan assumes that, if tax rates aren't slashed and other government spending is kept under control the result would be enough

Republicans don't dispute that a smaller debt means a better economy — in fact, many members of the GOP advocate using some of the expected surplus to reduce the debt. But many think tax cuts also could help the economy.

Republicans also argue that the next step of Clinton's plan would amount to accounting trickery.

That's because any future windfall of general tax revenues, such as income taxes, would not ordinarily go to Social Security, which is now financed exclusively by its own separate tax — the 6.2 percent that comes off the top of workers' paychecks and is

the government. That would create an obligation — on paper at least — to pay for the program from the general Treasury's tax revenues for many years.

"Our plan would put priority on investing for the future," Clinton said in a recent speech.

Republicans disagree.

"That's just simply creating more debt," says Rep. Clay Shaw, R-Fla., chairman of the House Ways and Means subcommittee on Social Security. "Tax dollars have to be increased to pay off those IOUs. That's the problem."

Many Republicans — and some Democrats — would prefer to keep using just the separate So-

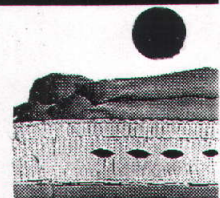
those other, general tax revenues when a recession or other calamity could dry up government surpluses in the future.

"The administration's proposal risks saddling our children with more debt," said Rep. Bill Archer, R-Texas, chairman of the Ways and Means Committee.

Also potentially at odds with Clinton's plan is the Republican desire for big, across-the-board tax cuts.

"It's a moral issue, these tax cuts," said House Budget Committee Chairman John Kasich, R-Ohio, who has lately been road-testing slogans in his bid for the 2000 Republican presidential

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